

Report of
Committee
on Revenue
and Taxation

Nov. 18th 1878
Ordered to lie on
Table and be
printed,

E. H. Smith
and Secy

E. D. Gentry
Ch^r Committee

Report of the Committee on Revenue & Taxation.

Mr President,

Your Committee on Revenue & Taxation, to whom were referred Resolutions numbered 12, 22, 25, 29, 35, 40, 48, 54, 70, 75, 77, 92, 94, 110, 126, 138, 150, 155, 158, 168, 181, 187, 197, 207, 218, 219, 226, 227, 241, 248, 260, 271, 276, 287, 289, 293, 296, 312, 319, 328, 330, 338, 346, 360, 361, 371, 379, 392, 395, 398, 400, 319, and 38 — together with two Memorials, have had the same under consideration, and herewith report the same back, and recommend that no further action be taken thereon, for the reason, that such propositions and suggestions therein contained, as your Committee deem it expedient to adopt, have been incorporated in the plan agreed upon, and herewith reported and recommended to the Convention, by a majority of your Committee, for adoption.

Messrs Cassady, Cross, Prouty, Turner and Edgerton, dissent from Section two (2) of the plan,

Messrs Biggs and Tully from
Section Four (4);

Messrs Dudley, Overton, Prouty,
Tully and Turner from Section Five (5)

Mr Overton from Section Six
(6);

Messrs Cross and Turner from
Section (7) Seven;

Messrs Dudley, Overton, ^{Tully} Turner and
Edgerton, from Section (9) Nine;

Messrs Dudley, Overton, Prouty
Tully and Turner from Section
(11) Eleven;

Messrs Cross, Overton, and
Edgerton from Section (14) Fourteen;

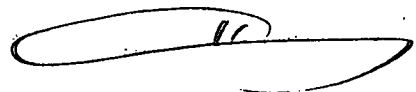
Messrs Cross and Turner from
Section (16) Sixteen, and

Messrs Cross, Overton, Shafter,
Wilson and Edgerton, from Section
(17) Seventeen.

Your Committee recom-
mend that such plan, upon
the subject referred to them, as

The Convention shall adopt,
be inserted in the new Consti-
tution ~~as~~ in the form of a
separate article, and designated

Article —
Revenue & Taxation.

Henry Edgerton
Chairman—


Amendment #510.

Plan for
Revenue & Taxation

Reported to
Convention Nov. 18th
1878 - Ordered - printed 960 Copies
Edgerton

Chairman
Com.

Article —
Revenue and Taxation

Section 1. All taxes shall be uniform upon the same class of subjects, within the territorial limits of the authority levying the tax, and shall be levied and collected under general laws.

Section 2. All property, including franchises, Capital Stock of Corporations or joint Stock Associations, And Solvent debts deducting therefrom debts due to bona fide residents of this State, And Excluding growing Crops, private property exempt from taxation under the laws of the United States, public property belonging to the United States, or to this State or any Municipality thereof, And all property And the proceeds thereof which is used exclusively for Charitable purposes, Shall be taxed in proportion to its value to be ascertained as directed by law

Section 3. Land and the improvements thereon shall be separately assessed. Cultivated and uncultivated land of the same quality and similarly situated, shall be assessed at the same value.

Section 24. Every tract of land containing within its boundaries more than one government-section, shall be assessed, for the purposes of taxation, by sections or fractional sections; and where the section lines have not been established by authority of the United States, the Assessor and County Surveyor shall establish the section lines in conformity with the Government-System of surveys as nearly as practicable. Each section or fractional section shall be valued and assessed separately; and for the purposes of subdividing and assessing, the Assessor and Surveyor and their assistants may enter upon any land within their respective Counties.

Section 5 A mortgage, deed of trust, contract or other obligation by which a debt is secured, shall for the purposes of assessment and taxation, be deemed and treated as an interest in the property affected thereby. Except as to rail road ~~and~~ other quasi public corporations, in case of debts so secured, the value of the property affected by such mortgage, deed of trust, contract or obligation, less the value of such security, shall be assessed and taxed to the owner of the property, and the value of such security shall be assessed and taxed to the owner thereof, in the county in which the property affected thereby is situate. The taxes so levied shall be a lien upon the property and security respectively, and may be paid by either party to such security; if paid by the owner of the security, the tax so levied upon the property affected thereby, shall become a part of the debt so secured; if the owner of the property shall pay the tax so levied on such security, it shall constitute a payment thereon, and to the extent of such payment, a full discharge thereof.

6
Section 6 Every contract hereafter made, by which a debtor is obligated to pay any tax or assessment on money loaned, or ^{on} any mortgage, deed of trust or other lien, shall, as to any interest specified therein, and as to such tax or assessment, be null and void.

Section 7. No Corporation, except for benevolent, religious, scientific or Educational purposes, shall be hereafter formed under the laws of this State, unless the persons named as Corporators, shall, at or before filing the Articles of incorporation, pay into the State treasury, one hundred dollars for the first fifty thousand dollars or less of Capital Stock, and a further sum of twenty dollars for every additional ten thousand dollars of such stock; and no such Corporation shall hereafter increase its Capital Stock, without first paying into the State treasury twenty dollars for every ten thousand dollars of increase.

Section 8. No license tax shall be imposed by this State or any Municipality thereof, upon any trade, calling, occupation or business, except the manufacture and sale of wine, spirituous and malt liquors, shows, theatres, ~~managers~~, slight of hand performances, exhibitions for profit, and such other business and occupations of like character, as the Legislature may judge the public peace or good order may require to be under special State or Municipal control. But the Legislature may by law impose any license, or other tax, on persons or corporations owning or using franchises or corporate privileges.

9
Section 9. The Legislature shall provide for the levy and collection of an annual poll tax of not less than two dollars, for school purposes, on every male inhabitant of this state over twentyone and under sixty years of age, except paupers, idiots, insane persons and indians not taxed. Said tax shall be paid into the State School fund.

Section 10. The power of taxation shall never be
surrendered or suspended by any grant
or contract to which the state shall be
a party.

11
~~Section 11.~~ The Legislature shall provide by law
for the payment of all taxes on real
property, by instalments.

Section 12. The Legislature shall by law require each taxpayer in this State, to make and deliver to the County Assessor, annually, a statement under oath, setting forth specifically all the real and personal property, owned by such taxpayer, or in his possession, or under his control, at twelve o'clock meridian on the first Monday of March.

Section 3 Assessors and Collectors of State, County, City and County, Town or District taxes, shall be elected by the qualified Electors of the County, City and County, Town or District in which the property taxed for State, County, City and County, Town or District purposes, is situated; provided that vacancies may be filled by appointment according to general laws.

Section 14 The state tax on property, exclusive of such tax as may be necessary to pay the existing state debt, shall not exceed forty cents on each one hundred dollars, for any one year.

Section 15 A State Board of Equalization, Consisting of two members from each Congressional District in this State, shall be elected by the qualified electors of their respective Districts, at the general election to be held in the year one thousand eight hundred and seventy nine, and every four years thereafter, whose duty it shall be to equalize the valuation of the taxable property in the State for purposes of State taxation. The Boards of Supervisors of the several counties in the State, shall constitute Boards of Equalization for their respective counties, whose duty it shall be, to equalize the valuation of the taxable property in the county, for the purpose of county taxation.

Section 16. The State Board of Equalization shall assess the value of all the property of all rail road Corporations in this state. For the purpose of taxation, the value of all lands, workshops, depots and other buildings, belonging to or under the control of, each rail road Corporation, shall be apportioned by said Board, to the Counties, Cities and Counties, ^{Cities,} townships and Districts, in which such lands, workshops, depots and other buildings are situate; and the aggregate value of all other property of such rail road Corporation shall be apportioned by said Board, to each County, City and County, [City], town or district, in which its road shall be located, according to the ratio which the number of miles of such road completed in such County, City and County, ^{City,} town or District shall bear to the whole length of such rail road.

Section 17 The value of the Capital Stock of a Corporation shall be assessed in the county in which its principal place of business is located, and separately from all other property belonging thereto; and such stock shall be assessed at its market value when the assessment is made. The real, and other ^{personal} property, of such Corporation, shall be assessed in the several Counties respectively in which the same is situated. The value of such stock over and above the aggregate value of such real and other personal property, according to such assessment, shall be taxed in the County in which the principal place of business of such Corporation is located; and the value of such real and other personal property, shall be taxed in the several Counties, respectively in which the same is situate. The Shares of stock belonging to the stock holders in such Corporation, shall be exempt from taxation. Provided that the provisions of this section shall not apply to rail road Corporations.

Section 16 The Legislature shall pass all laws
necessary to carry out the provisions of
this Article

Provenance:

Amendment to Section One of Article —, Revenue and Taxation, Amend. # 510, First printing as "Intro. by Comm. on Rev. & Taxation 11/18/78, 960 copies ordered printed."

Handwritten amendment originally glued to left margin of page one, but unglued portion detached. Amended in Comm. of the Whole

move to amend sec. 1 & strike out whole thereof & inserting the words: "shall be equal & uniform throughout state"

Adopted. — Freeman

§ 9

Sec. 2. Revenue & Taxation.

Laws shall be passed taxing all moneys, credits secured by mortgage or trust-deed or unsecured, investments in bonds, franchises, and all other property, real and personal, according to its true value in money, except as hereafter provided, but the Legislature may authorize except in the case of credits secured by mortgage or trust-deed, a deduction from credits of debts due to bona fide residents of this State.

Growing crops and such property as may be used exclusively for public schools, and such as may belong to the United States, this State, any county, or municipal corporation within this State, shall be exempt from taxation.

Johnson

Adopted as a substitute for Section 2 of the Committee's report.

Original
Revenue
Education
~~Secretary~~ ~~Clerk~~

Amendment.

No. 510.

INTRODUCED BY THE COMMITTEE ON REVENUE AND TAXATION.

NOVEMBER 18TH, 1878.

NINE HUNDRED AND SIXTY COPIES ORDERED PRINTED.

I
the
"Tax
this

REVENUE AND TAXATION.

ARTICLE

SECTION 1. All taxes shall be uniform upon the same class of sub-
2 jects within the territorial limits of the authority levying the tax, and shall
3 be levied and collected under general laws. *Struck out and*
Finance Committee adopted.

*Substitute
by Johnson
adopted.*

SEC. 2. All property, including franchises, capital stock of corpora-
2 tions or joint-stock associations, and solvent debts, deducting therefrom debts
3 due to bona fide residents of this State, and excluding growing crops, private
4 property exempt from taxation under the laws of the United States, public
5 property belonging to the United States, or to this State, or any municipality
6 thereof, and all property and the proceeds thereof which is used exclusively

Adopted
Substitute for Sec 4. Revenue & Tax.

Every tract of land containing
within its boundaries more than
one government section shall
be assessed and valued for the
purposes of taxation, by sections or
fractional sections, in such
a manner as the legislature may
by law provide.

Read.

Adopted.

7 for charitable purposes, shall be taxed in proportion to its value, to be ascer-
8 tained as directed by law.

SEC. 3. Land, and the improvements thereon, shall be separately
2 assessed. Cultivated and uncultivated land, of the same quality and similarly
3 situated, shall be assessed at the same value.

SEC. 4. Every tract of land containing within its boundaries more than
2 one government section shall be assessed, for the purposes of taxation, by sections
3 or fractional sections; and where the section lines have not been established
4 by authority of the United States, the Assessor and County Surveyor shall
5 establish the section lines, in conformity with the government system of sur-
6 veys, as nearly as practicable. Each section or fractional section shall be valued
7 and assessed separately; and for the purpose of subdividing and assessing, the
8 Assessor and Surveyor, and their assistants, may enter upon any land within
9 their respective counties. *Rund's Substitute adopted.*

Sec 5

Amend Sec 5 by striking
out the word

"respectively" in line
10 of said section
Adopted. Winans

Sec 5

Amend by inserting after the word "county" in line
Eight the words "city or district"

Adopted.

Frisman

SEC. 5. A mortgage, deed of trust, contract, or other obligation by which a debt is secured, shall, for the purposes of assessment and taxation, be deemed and treated as an interest in the property affected thereby. Except as to railroad and other quasi-public corporations, in case of debts so secured, the value of the property affected by such mortgage, deed of trust, contract, or obligation, less the value of such security, shall be assessed and taxed to the owner of the property, and the value of such security shall be assessed and taxed to the owner thereof, in the ^{city or district} county in which the property affected thereby is situate. The taxes so levied shall be a lien upon the property and security, ~~respectively~~, and may be paid by either party to such security; if paid by the owner of the security, the tax so levied upon the property affected thereby shall become a part of the debt so secured; if the owner of the property shall pay the tax so levied on such security, it shall constitute a payment thereon, and to the extent of such payment, a full discharge thereof, [Amended by adding the following:]

security or
provided further, that if any such indebtedness shall be paid by any such debtor or debtors, after assessment and before the tax levy, the amount of such levy may likewise be retained by such debtor or debtors, and shall be computed according to the tax levy for the preceding year.

Adopted

Herrington

SEC. 6. Every contract hereafter made, by which a debtor is obligated to pay any tax or assessment on money loaned, or on any mortgage, deed of trust, or other lien, shall, as to any interest specified therein, and as to such tax or assessment, be null and void.

Adopted

Stricken out.

SEC. 7. No corporation, except for benevolent, religious, scientific, or educational purposes, shall be hereafter formed under the laws of this State unless the persons named as incorporators, shall at or before filing the articles of incorporation, pay into the State treasury one hundred dollars for the first fifty thousand dollars or less of capital stock, and a further sum of twenty dollars for every additional ten thousand dollars of such stock; and no such corporation shall hereafter increase its capital stock without first paying into the State treasury twenty dollars for every ten thousand dollars of increase.

Stricken out.

SEC. 8. No license tax shall be imposed by this State, or any municipality thereof, upon any trade, calling, occupation, or business, except the manufacture and sale of wine, spirituous and malt liquors, shows, theaters, menageries, sleight of hand performances, exhibitions for profit, and such other business and occupations of like character as the Legislature may judge the public peace or good order may require to be under special State or municipal control. But the Legislature may by law impose any license, or other tax, on persons or corporations owning or using franchises or corporate privileges.

Sec. 18.

Adopted

Insert in Sect. 11 after the
and "shall" the words
"have the power to"
Winans.

Struck out

SEC. 9. The Legislature shall provide for the levy and collection of
 2 an annual poll tax of not less than two dollars, for school purposes, on every
 3 male inhabitant of this State over twenty-one and under sixty years of age,
 4 except paupers, idiots, insane persons, and Indians not taxed. Said tax shall
 5 be paid into the State School Fund.

Adopted

SEC. 10. The power of taxation shall never be surrendered or sus-
 2 pended by any grant or contract to which the State shall be a party.

Adopted

have the power to

SEC. 11. The Legislature shall provide by law for the payment of all
 2 taxes on real property by installments.

Adopted

SEC. 12. The Legislature shall by law require each taxpayer in this
 2 State to make and deliver to the County Assessor, annually, a statement,
 3 under oath, setting forth specifically all the real and personal property owned

4 by such taxpayer, or in his possession, or under his control, at twelve o'clock
5 meridian, on the first Monday of March.

SEC. 13. Assessors and Collectors of State, county, city and county,
2 town, or district taxes, shall be elected by the qualified electors of the county,
3 city and county, town, or district in which the property taxed for State, county,
4 city and county, town, or district purposes, is situated, *provided*, that vacan-
5 cies may be filled by appointment, according to general laws.

SEC. 14. The State tax on property, exclusive of such tax as may be
2 necessary to pay the existing State debt, shall not exceed forty cents on each
3 one hundred dollars for any one year, ~~except in case of war,~~

~~insurrection, or great public danger~~

SEC. 15. A State Board of Equalization, consisting of two members
2 from each Congressional District in this State, shall be elected by the qualified
3 electors of their respective districts, at the general election to be held in the
4 year one thousand eight hundred and seventy-nine, and every four years

Sec. 15

In
the fo
be, ex

Sec 15

must add the word empowered
Under such rule of
notice of the County Board
may present, as to the
County Assessment, and under
such rule of notice of the
State Board may present
the action of the State Board
Howard

advised

may also
amend

Sec 15

Provided, Said State and County
Boards of Equalization are hereby
authorized and empowered to increase
or lower the entire assessment roll or any
assessments contained therein so as to
equalize the assessment of the property
contained in said assessment ^{roll} and make
the assessment conform to the true
value in money of the property contained
in said roll

adapted

My att

✓

lines 6.

adapted

Add to Sec. 13, after the word "taxation" in
Provided that the Legislature
shall have power to reduce the
number ~~from~~ to one from each
Congressional District, when said
districts shall be increased in
number

Weller

55-34

as amended

Amend Section 15 by adding thereto
the following:

The members of said board except
the Controller of State, shall at their
first meeting after their election so
arrange by lot, that one of ~~the~~
^{their} number from each Congressional
district shall go out of office
at the end of two years, and
their successors shall be elected
at the next general election
thereafter to be holden by the
qualified electors of each of
said districts

Hale

adapted

Sec. 15.

Insert after the word "taxation" in the 6th line, the following: "The Controller of State shall be, ex officio, a member of said Board."

Adopted. — Blackmer.

Insert after "Sec. 16" in first line:

^{appurtenances,}
the, roadway, road bed rails and rolling stock of all railroads in this State, ^{operated in more than one county,} shall be assessed by the State Board of Equalization at their actual value, and the same shall be apportioned to the counties, cities and counties, cities, townships and districts ⁱⁿ through which such railroads are located in proportion to the number of miles of railway laid in such counties; and all other property of railroads shall be assessed by the counties in which such ^{property} railroads are situated.

Ayers

adopted

Amend Section 15 by inserting after
the word "property" in line 6. the following
is - "of the several Counties"

Adopted - Edgerton.

10

Adopted

Amend Sec. 16 by inserting after
~~the word "property"~~ "Stop" in the 2nd line
"except lands not used for the purposes
of the road".

Adopted, Jerry.

(Ayers Substitute for
whole Section adopted)

*The Controller
of State shall be,
at Office, a member
of said Board.*

5 thereafter, whose duty it shall be to equalize the valuation of the taxable
6 property in the State for purposes of State taxation. *of the several counties* The Boards of Super-
7 visors of the several counties in the State shall constitute Boards of Equali-
8 zation for their respective counties, whose duty it shall be to equalize the
9 valuation of the taxable property in the county for the purpose of county
10 taxation.

Sec. 16. The State Board of Equalization shall assess the value of
all the property of all railroad corporations in this State. For the purpose of
taxation, the value of all lands, workshops, depots, and other buildings belong-
ing to or under the control of each railroad corporation, shall be apportioned
5 by said Board to the counties, cities and counties, cities, townships and dis-
6 tricts in which such lands, workshops, depots, and other buildings are situate,
7 and the aggregate value of all other property of such railroad corporation
8 shall be apportioned by said Board to each county, city and county, city,
9 town, or district in which its road shall be located, according to the ratio
10 which the number of miles of such road completed in such county, city and
11 county, city, town, or district shall bear to the whole length of such railroad.

*Ryers Substitute
adopted*

2 SEC. 17. The value of the capital stock of a corporation shall be
3 assessed in the county in which its principal place of business is located, and
4 separately from all other property belonging thereto; and such stock shall be
5 assessed at its market value when the assessment is made. The real and
6 other personal property of such corporation shall be assessed in the several
7 counties respectively in which the same is situate. The value of such stock,
8 over and above the aggregate value of such real and other personal property,
9 according to such assessment, shall be taxed in the county in which the prin-
10 cipal place of business of such corporation is located; and the value of such
11 real and other personal property shall be taxed in the several counties respect-
12 ively in which the same is situate. The shares of stock belonging to the stock-
13 holders in such corporation shall be exempt from taxation; *provided*, that the
 provisions of this section shall not apply to railroad corporations.

2 SEC. 18. The Legislature shall pass all laws necessary to carry out the
 provisions of this article.

Section -

Income taxes may be assessed
to and collected from persons, cor-
porations, joint stock associations
or Companies, resident or doing
business in this State or any one
or more of them, in such cases
and amounts and in such manner
as shall be prescribed by law.

Quelley of Holand

adopted

66

39

Original
Section 1
Amendment.

No. 510.

INTRODUCED BY THE COMMITTEE ON REVENUE AND TAXATION.

NOVEMBER 18TH, 1878.

AS AMENDED IN COMMITTEE OF THE WHOLE.

Stricken out
Freeman
REVENUE AND TAXATION.

ARTICLE —

Referred to
Concur
SECTION 1. All taxes shall be uniform upon the same class of sub-
2 jects within the territorial limits of the authority levying the tax, and shall
3 be levied and collected under general laws.

The following is section one, as amended on motion of Mr. Freeman,
and adopted:

[SECTION 1. Taxation shall be equal and uniform throughout this
2 State.]

~~SEC. 2. All property, including franchises, capital stock of corpora-
2 tions or joint-stock associations, and solvent debts, deducting therefrom debts
3 due to bona fide residents of this State, and excluding growing crops, private
4 property exempt from taxation under the laws of the United States, public
5 property belonging to the United States, or to this State, or any municipality
6 thereof, and all property and the proceeds thereof which is used exclusively
7 for charitable purposes, shall be taxed in proportion to its value, to be ascer-
8 tained as directed by law.~~

The following is Mr. Johnson's substitute for section two, which was adopted:

[SEC. 2. Laws shall be passed taxing all moneys, credits secured by mortgage or trust-deed, or unsecured, investments in bonds, franchises, and all other property, real and personal, according to its true value in money, except as hereafter provided; but the Legislature may authorize, except in the case of credits secured by mortgage or trust-deed, a deduction from credits of debts due to bona fide residents of this State. Growing crops, and such property as may be used exclusively for public schools, and such as may belong to the United States, this State, any county or municipal corporation within this State, shall be exempt from taxation.]

SEC. 3. Land, and the improvements thereon, shall be separately assessed. Cultivated and uncultivated land, of the same quality, and similarly situated, shall be assessed at the same value.

SEC. 4. Every tract of land containing within its boundaries more than one government section shall be assessed, for the purposes of taxation, by sections or fractional sections; and where the section lines have not been established by authority of the United States, the Assessor and County Surveyor shall establish the section lines, in conformity with the government system of surveys, as nearly as practicable. Each section or fractional section shall be valued and assessed separately; and for the purpose of subdividing and assessing, the Assessor and Surveyor, and their assistants, may enter upon any land within their respective counties.

The following is section four, as amended by Mr. Reed, and adopted:

[SEC. 4. Every tract of land containing within its boundaries more than one government section shall be assessed and valued, for the purposes of

*Committee
Report
Concurs
in Dec 4*

Substitute for

SECTION 2 ~~Taxation shall be equal and uniform throughout the State.~~

- 2 All ~~property~~ property in the State, not exempt under the laws of the United
- 3 States, shall be ~~taxed~~ taxed in proportion to its value, to be ascertained as provided
- 4 by law. The word "property" as used in this article and section is hereby
- 5 declared to include moneys, credits, bonds, stocks, dues, franchises, and all
- 6 other matters and things capable of private ownership, real, personal, and mixed.

Provided that growing Crops, and
~~property~~ property used exclusively for public
schools, and such as may belong to the
United States, this State, or to any
County or Municipal Corporation
within this State shall be exempt from
taxation. The Legislature may
provide, except in the case of credits
secured by mortgage or trust deed

for a deduction ^{from} credits of debts due
to bona fide residents of this State

Living

adopted ^{aug}
80. 29

3 taxation, by sections or fractional sections, in such a manner as the Legislature
4 may by law provide.]

SEC. 5. A mortgage, deed of trust, contract, or other obligation by
2 which a debt is secured, shall, for the purposes of assessment and taxation, be
3 deemed and treated as an interest in the property affected thereby. Except
4 as to railroad and other quasi public corporations, in case of debts so secured,
5 the value of the property affected by such mortgage, deed of trust, contract, or
6 obligation, less the value of such security, shall be assessed and taxed to the
7 owner of the property, and the value of such security shall be assessed and
8 taxed to the owner thereof, in the county in which the property affected thereby
9 is situate. The taxes so levied shall be a lien upon the property and security,
10 respectively, and may be paid by either party to such security; if paid by the
11 owner of the security, the tax so levied upon the property affected thereby shall
12 become a part of the debt so secured; if the owner of the property shall pay
13 the tax so levied on such security, it shall constitute a payment thereon, and
14 to the extent of such payment a full discharge thereof.

The following is section five, as amended on motion of Messrs. Winans,
Freeman, and Herrington, and adopted.

[SEC. 5. A mortgage, deed of trust, contract, or other obligation by
2 which a debt is secured, shall, for the purposes of assessment and taxation, be
3 deemed and treated as an interest in the property affected thereby. Except
4 as to railroad and other quasi public corporations, in case of debts so secured,
5 the value of the property affected by such mortgage, deed of trust, contract, or
6 obligation, less the value of such security, shall be assessed and taxed to the
7 owner of the property, and the value of such security shall be assessed and
8 taxed to the owner thereof, in the county, city, or district, in which the
9 property affected thereby is situate. The taxes so levied shall be a lien upon

deleted

10 the property and security, and may be paid by either party to such security;
 11 if paid by the owner of the security, the tax so levied upon the property affected
 12 thereby shall become a part of the debt so secured; if the owner of the property
 13 shall pay the tax so levied on such security, it shall constitute a payment
 14 thereon, and to the extent of such payment a full discharge thereof; *provided*,
 15 that if any such security or indebtedness shall be paid by any such debtor or
 16 debtors, after assessment and before the tax levy, the amount of such levy may
 17 likewise be retained by such debtor or debtors, and shall be computed accord-
 18 ing to the tax levy for the preceding year.

SEC. 6. Every contract hereafter made, by which a debtor is obligated
 2 to pay any tax or assessment on money loaned, or on any mortgage, deed of
 3 trust, or other lien, shall, as to any interest specified therein, and as to such
 4 tax or assessment, be null and void.

SEC. 7. No corporation, except for benevolent, religious, scientific, or
 2 educational purposes, shall be hereafter formed under the laws of this State
 3 unless the persons named as corporators shall, at or before filing the articles
 4 of incorporation, pay into the State treasury one hundred dollars for the first
 5 fifty thousand dollars or less of capital stock, and a further sum of twenty
 6 dollars for every additional ten thousand dollars of such stock; and no such
 7 corporation shall hereafter increase its capital stock without first paying into
 8 the State treasury twenty dollars for every ten thousand dollars of increase.

The above section (seven) was, on motion, stricken out.

Concurred in

SEC. 8. No license tax shall be imposed by this State, or any munici-
 2 pality thereof, upon any trade, calling, occupation, or business, except the
 3 manufacture and sale of wine, spirituous and malt liquors, shows, theaters,
 4 menageries, sleight of hand performances, exhibitions for profit, and such

5 other business and occupations of like character as the Legislature may judge
6 the public peace or good order may require to be under special State or muni-
7 cipal control. But the Legislature may by law impose any license, or other
8 tax, on persons or corporations owning or using franchises or corporate
9 privileges.

Concurred in

The above section (eight) was, on motion, stricken out.

Concurred in

SEC. 9. The Legislature shall provide for the levy and collection of
2 an annual poll tax of not less than two dollars, for school purposes, on every
3 male inhabitant of this State over twenty-one and under sixty years of age,
4 except paupers, idiots, insane persons, and Indians not taxed. Said tax shall
5 be paid into the State School Fund.

Concurred in

The above section (nine) was, on motion, stricken out.

SEC. 10. The power of taxation shall never be surrendered or sus-
2 pended by any grant or contract to which the State shall be a party.

~~SEC. 11. The Legislature shall provide by law for the payment of all~~
2 ~~taxes on real property by installments.~~

The following is section eleven, as amended on motion of Mr. Winans,
and adopted:

Adopted

SEC. 11. The Legislature shall have the power to provide by law for
2 the payment of all taxes on real property by installments.

SEC. 12. The Legislature shall by law require each taxpayer in this
2 State to make and deliver to the County Assessor, annually, a statement,
3 under oath, setting forth specifically all the real and personal property owned
4 by such taxpayer, or in his possession, or under his control; at twelve o'clock
5 meridian, on the first Monday of March.

SEC. 13. Assessors and Collectors of State, county, city and county,
 2 town or district taxes, shall be elected by the qualified electors of the county,
 3 city and county, town, or district in which the property taxed for State, county,
 4 city and county, town, or district purposes, is situated; *provided*, that vacan-
 5 cies may be filled by appointment, according to general laws.

The above section (thirteen) was, on motion, stricken out.

SEC. 14. The State tax on property, exclusive of such tax as may be
 2 necessary to pay the existing State debt, shall not exceed forty cents on each
 3 one hundred dollars for any one year.

The above section (fourteen) was, on motion, stricken out.

SEC. 15. A State Board of Equalization, consisting of two members
 2 from each Congressional District in this State, shall be elected by the qualified
 3 electors of their respective districts, at the general election to be held in the
 4 year one thousand eight hundred and seventy-nine, and every four years
 5 thereafter, whose duty it shall be to equalize the valuation of the taxable
 6 property in the State for purposes of State taxation. The Boards of Super-
 7 visors of the several counties in the State shall constitute Boards of Equali-
 8 zation for their respective counties, whose duty it shall be to equalize the
 9 valuation of the taxable property in the county for the purpose of county
 10 taxation.

The following is section fifteen, as amended on motion of Messrs. Edger-
 ton, Blackmer, Wyatt, Howard, Weller, and Hale, and adopted:

[SEC. 15. A State Board of Equalization, consisting of ^{one} ~~two~~ members
 2 from each Congressional District in this State, shall be elected by the qualified
 3 electors of their respective districts, at the general election to be held in the
 4 year one thousand eight hundred and seventy-nine, ^{whose term of office after those} ~~and every four years~~
 5 thereafter, whose duty it shall be to equalize the valuation of the taxable

Concerned in

Concerned in

Adopted

Concurred

Concurred

Amend Section 15 as reported from Committee of the Whole by striking out in the "first line" the words "two members" and inserting the words "one member" also.

by striking out all after the word "taxation" in the "sixth and seventh lines" up to the word "The" in the "ninth line."

And all after the word "Roll" in ^{the} ~~the~~ second line ~~in the~~ white

accepted
6-6-32

Amend

Concur

Amend Section 15-

By striking out in lines 4 and 5
the words "and every four years thereafter"
and insert "whose term of office
after those first elected, shall be
four years"

adopted

McDonnell

6 property of the several counties in the State for the purposes of State taxa-
7 tion ; ~~provided, that the Legislature shall have power to reduce the number to~~
8 ~~one from each Congressional District, when said districts shall have been~~
9 ~~increased in number.~~ The Controller of State shall be ex officio a member of
10 said Board. The Boards of Supervisors of the several counties of the State
11 shall constitute Boards of Equalization for their respective counties, whose
12 duty it shall be to equalize the valuation of the taxable property in the county
13 for the purpose of county taxation ; *provided*, said State and County Boards of
14 Equalization are hereby authorized and empowered, under such rules of notice
15 as the County Boards may prescribe, as to the county assessments, and under
16 such rules of notice as the State Board may prescribe, as to the action of the
17 State Board, to increase or lower the entire assessment roll, or any assessment
18 contained therein, so as to equalize the assessment of the property contained
19 in said assessment roll, and make the assessment conform to the true value in
20 money of the property contained in said roll. ~~The members of said Board,~~
21 ~~except the Controller of State, shall, at their first meeting after their election,~~
22 ~~so arrange, by lot, that one of their number from each Congressional District~~
23 ~~shall go out of office at the end of two years, and their successors shall be~~
24 ~~electd at the next general election thereafter to be holden by the qualified~~
25 ~~electors of each of said districts.~~

SEC. 16. The State Board of Equalization shall assess the value of
2 all the property of all railroad corporations in this State. For the purpose of
3 taxation, the value of all lands, workshops, depots, and other buildings belong-
4 ing to or under the control of each railroad corporation, shall be apportioned
5 by said Board to the counties, cities and counties, cities, townships, and dis-
6 tricts in which such lands, workshops, depots, and other buildings are situate;
7 and the aggregate value of all other property of such railroad corporation

8 shall be apportioned by said Board to each county, city and county, city,
9 town, or district in which its road shall be located, according to the ratio
10 which the number of miles of such road completed in such county, city and
11 county, city, town, or district shall bear to the whole length of such railroad.

The following is Mr. Ayers' substitute for section sixteen, which was adopted:

[SEC. 16. The franchise, roadway, road-bed, rails, and rolling stock of
2 all railroads in this State, operated in more than one county, shall be assessed
3 by the State Board of Equalization, at their actual value, and the same shall
4 be apportioned to the counties, cities and counties, cities, ^{towns} townships, and dis-
5 tricts in which such railroads are located, in proportion to the number of miles
6 of railway laid in such counties, ^{Cities and Counties Cities, towns, townships and districts,} and all other property of railroads shall be
7 assessed by the counties in which such property is situated.]

SEC. 17. The value of the capital stock of a corporation shall be
2 assessed in the county in which its principal place of business is located, and
3 separately from all other property belonging thereto; and such stock shall be
4 assessed at its market value when the assessment is made. The real and
5 other personal property of such corporation shall be assessed in the several
6 counties respectively in which the same is situate. The value of such stock,
7 over and above the aggregate value of such real and other personal property,
8 according to such assessment, shall be taxed in the county in which the prin-
9 cipal place of business of such corporation is located; and the value of such
10 real and other personal property shall be taxed in the several counties respect-
11 ively in which the same is situate. The shares of stock belonging to the stock-
12 holders in such corporation shall be exempt from taxation; *provided*, that the
13 provisions of this section shall not apply to railroad corporations.

The above section was, on motion of Mr. McCoy, stricken out.

8

9

10

11

Dec. 16

Insert, ~~at~~ before the word "town-
ships," in line 4, the word "towns," and
insert after word "countries," in line 5, the
additional words: "cities and countries, cities,
towns, townships and districts;"

Oyus

SEC. 18. The Legislature shall pass all laws necessary to carry out the
2 provisions of this article.

The following section, on motion of Mr. Dudley of Solano, was added:

adapted
[SEC. —. Income taxes may be assessed to and collected from persons,
2 corporations, joint-stock associations, or companies resident or doing business
3 in this State, or any one or more of them, in such cases and amounts, and in
4 such manner, as shall be prescribed by law.

Amendment No 510

Nov 18, 1878

Revenue + Taxation

Revenue and Taxation

Substitute for Sec 3.

Every tract of land containing within its boundaries more than one government section, and which has been surveyed by the United States Government, shall be assessed for ^{the} purposes of taxation, by sections ~~of fractional~~ ^{or fractions of} sections. The Legislature shall provide by law for the assessment, in small tracts, of all lands not surveyed by the United States Government.

Adopted

Wilkin

[Pg 1 - Revenue & Taxation]

Article - Engrossed printing
This is a 2nd reading
amendment to Sec 3.

511

REVENUE AND TAXATION.

As Amended in Convention, and Ordered Engrossed for a Second
Reading, February 11th, 1879.

ARTICLE —.

REVENUE AND TAXATION.

SECTION 1. All property in the State, not exempt under the laws of the United States, shall be taxed in proportion to its value, to be ascertained as provided by law. The word "property," as used in this article and section, is hereby declared to include moneys, credits, bonds, stocks, dues, franchises, and all other matters and things capable of private ownership, real, personal, and mixed; *provided*, that growing crops, property used exclusively for public schools, and such as may belong to the United States, this State, or to any county or municipal corporation within this State, shall be exempt from taxation. The Legislature may provide, except in the case of credits secured by mortgage or trust deed, for a deduction from credits of debts due to bona fide residents of this State.

SEC. 2. Land, and the improvements thereon, shall be separately assessed. Cultivated and uncultivated land, of the same quality, and similarly situated, shall be assessed at the same value.

SEC. 3. Every tract of land containing within its boundaries more than one government section shall be assessed, for the purposes of taxation, by sections or fractional sections; and where the section lines have not been established by authority of the United States, the Assessor and County Surveyor shall establish

*Heckman
subscribed
adopted*

the section lines, in conformity with the government system of surveys, as nearly as practicable. Each section or fractional section shall be valued and assessed separately; and for the purpose of subdividing and assessing, the Assessor and Surveyor, and their assistants, may enter upon any land within their respective counties.

SEC. 4. A mortgage, deed of trust, contract, or other obligation by which a debt is secured, shall, for the purposes of assessment and taxation, be deemed and treated as an interest in the property affected thereby. Except as to railroad and other quasi public corporations, in case of debts so secured, the value of the property affected by such mortgage, deed of trust, contract, or obligation, less the value of such security, shall be assessed and taxed to the owner of the property, and the value of such security shall be assessed and taxed to the owner thereof, in the county, city, or district, in which the property affected thereby is situate. The taxes so levied shall be a lien upon the property and security, and may be paid by either party to such security; if paid by the owner of the security, the tax so levied upon the property affected thereby shall become a part of the debt so secured; if the owner of the property shall pay the tax so levied on such security, it shall constitute a payment thereon, and to the extent of such payment a full discharge thereof; *provided*, that if any such security or indebtedness shall be paid by any such debtor or debtors, after assessment and before the tax levy, the amount of such levy may likewise be retained by such debtor or debtors, and shall be computed according to the tax levy for the preceding year.

SEC. 5. Every contract hereafter made, by which a debtor is obligated to pay any tax or assessment on money loaned, or on any mortgage, deed of trust, or other lien, shall, as to any interest specified therein, and as to such tax or assessment, be null and void.

SEC. 6. The power of taxation shall never be surrendered or suspended by any grant or contract to which the State shall be a party.

Amend sec 9 of Article
on taxation

Strike out the word
"county" where it first
occurs in the eleventh
line before the word
"taxation"

~~Adopted~~

Ralph

[Pg. 3 Revenue & Taxation]
Article - Engrossed printing
This is a 2nd reading amendment
to Sect. 9.

SEC. 7. The Legislature shall have the power to provide by law for the payment of all taxes on real property by installments.

SEC. 8. The Legislature shall by law require each taxpayer in this State to make and deliver to the County Assessor, annually, a statement, under oath, setting forth specifically all the real and personal property owned by such taxpayer, or in his possession, or under his control, at twelve o'clock meridian, on the first Monday of March.

SEC. 9. A State Board of Equalization, consisting of one member from each congressional district in this State, shall be elected by the qualified electors of their respective districts, at the general election to be held in the year one thousand eight hundred and seventy-nine, whose term of office after those first elected shall be four years, whose duty it shall be to equalize the valuation of the taxable property of the several counties in the State for the purposes of State taxation. The Controller of State shall be ex officio a member of said Board. The Boards of Supervisors of the several counties of the State shall constitute Boards of Equalization for their respective counties, whose duty it shall be to equalize the valuation of the taxable property in the county for the purpose of ~~county~~ taxation; *provided*, said State and County Boards of Equalization are hereby authorized and empowered, under such rules of notice as the County Boards may prescribe, as to the county assessments, and under such rules of notice as the State Board may prescribe, as to the action of the State Board, to increase or lower the entire assessment roll, or any assessment contained therein, so as to equalize the assessment of the property contained in said assessment roll, and make the assessment conform to the true value in money of the property contained in said roll.

SEC. 10. The franchise, roadway, road-bed, rails, and rolling stock of all railroads in this State, operated in more than one county, shall be assessed by the State Board of Equalization, at their actual value, and the same shall be

apportioned to the counties, cities and counties, cities, towns, townships, and districts in which such railroads are located, in proportion to the number of miles of railway laid in such counties, cities and counties, cities, towns, townships, and districts; and all other property of railroads shall be assessed by the counties in which such property is situated.

SEC. 11. Income taxes may be assessed to and collected from persons, corporations, joint-stock associations, or companies resident or doing business in this State, or any one or more of them, in such cases and amounts, and in such manner, as shall be prescribed by law.

SEC. 12. The Legislature shall pass all laws necessary to carry out the provisions of this article.

Amended by adding the following new Sec

12. SEC. 12. The Legislature shall provide for the levy and collection of
 2 an annual poll tax of not less than two dollars, ~~for school purposes~~, on every
 3 male inhabitant of this State over twenty-one and under sixty years of age,
 4 except paupers, idiots, insane persons, and Indians not taxed. Said tax shall
 5 be paid into the State School Fund.

Adopted

Printed

-510-

Revenue & Exaction

July 19-1879

Deposited correctly
Enclosed,

Edwards

Deety

July 26. 1879

Received a second time
admitted and referred
to him on Revenue and
Disbursement

Thomson

and Key